

VZCZCXRO5970  
OO RUEHCHI RUEHDT RUEHHM RUEHNH  
DE RUEHBK #0198/01 0181139  
ZNY CCCCC ZZH  
O 181139Z JAN 08  
FM AMEMBASSY BANGKOK  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 1511  
INFO RUCNASE/ASEAN MEMBER COLLECTIVE PRIORITY  
RUEAIIA/CIA WASHINGTON DC  
RHHMUNA/HQ USPACOM HONOLULU HI  
RHEHNSC/NSC WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 BANGKOK 000198

SIPDIS

SIPDIS

PLEASE PASS TO DAS MARCIEL

E.O. 12958: DECL: 01/17/2018  
TAGS: [PGOV](#) [PHUM](#) [PREL](#) [KDEM](#) [TH](#)  
SUBJECT: ALL CLEAR FOR PARLIAMENT TO OPEN, NEW GOVERNMENT  
TO FORM

Classified By: DCM James F. Entwistle, reason 1.4 (b) and (d).

11. (C) SUMMARY: Everything appears on track for the opening of Parliament on Monday, January 21. Chart Thai and Motherland parties have formally announced they will join the coalition led by the People's Power Party (PPP). Negotiations over the ministerial portfolios are ongoing; the PPP leader is likely to be named prime minister, although there are still rumors that this is not a done deal. A variety of legal issues remain, including the disposition of the case against a leading PPP member, and the threat of the dissolution of party. However, there is concern that the ECT and the courts will be reluctant to challenge the PPP's interests now that it is clear PPP will form the government. After two years of lost time, Thailand has pretty much come full circle, with no resolution of the issues -- corruption, political legitimacy, the role of the monarchy -- that provoked the crisis in the first place. The same conflicts are likely to emerge again soon, if the new government does not do better than we expect in promoting reconciliation. END SUMMARY.

EVERYBODY INTO THE POOL  
-----

12. (C) Chart Thai party leader Barnharn Silpa-Archa and Motherland party leader Suwit Khunkitti announced on January 17 that they would join the pro-Thaksin Peoples Power Party (PPP) in the coalition government. Barnharn specifically refused to answer questions about his party's endorsement of the controversial PPP leader as Prime Minister, saying that the parties have not yet discussed the allocation of ministerial portfolios. While there is still speculation about the fate of PPP leader Samak Sundaravej, most think he is likely to be named PM. The current back room negotiations seem to have moved to debate over the Defense Minister slot, with calls for the coalition to name a figure that would be acceptable to the military. The PPP has countered with the suggestion that they might name Samak as Minister of Defense as well as PM.

13. (C) Former PM Thaksin's wife Pojaman continues to play an increasingly open role in discussions on the political situation. It is anticipated that she may meet with Privy Councillor Prem and it appears that she has met with Army commander Anupong. We presume that she is discussing the conditions for Thaksin's return to Thailand in these meetings, or at least laying the groundwork for future negotiations.

ELECTION COMMISSION AND COURTS  
-----

14. (C) As of COB Friday, the Election Commission (ECT) has not announced its certification of the additional MPs necessary to allow Parliament to open on Monday, January 21, but it appears on track to resolve this issue before then, and the opening ceremony of Parliament is set for Monday afternoon. The ECT can either certify a sufficient number of MPs to reach the target of 456 (95 percent of the total), or certify all the remaining MPs, and then refer any cases to the Supreme Court for resolution if the ECT determines that there was serious evidence of fraud.

15. (C) The thorniest case involves PPP executive member Yongyuth, accused of bribing local officials in Chiang Rai. This case not only affects Yongyuth, but also other PPP winners on the party list who may have benefited from the alleged bribery. It could have further implications, as the law allows for the dissolution of a party in cases in which an executive member is involved in serious vote fraud. There is concern, however, that the ECT and the courts will not be willing to challenge PPP now that it is clear that it will form the government.

16. (U) The Supreme Court also ruled today that the advance voting was legal, removing another possible impediment to the opening of Parliament on Monday. The Supreme Court also declined to find that PPP was nominee of the disbanded Thai Rak Thai party, stating that the issue fell under the jurisdiction of the Constitutional Court.

#### CASTING ASPERSIONS

-----

17. (C) Unfortunate rumors about forces at work behind the scenes of the post-election drama are surfacing. For

BANGKOK 00000198 002 OF 002

example, an academic told us that the post-election situation had developed in such a way as to allow Thaksin to return because the Crown Prince wanted him back (a reference to the allegations that Thaksin had made payments to the Crown Prince.) A NGO leader alleged that two of the Election Commissioners were in the pay of PPP; since the issuance of a "red card" disqualification required the agreement of four commissioners, he said, the commission would not be applying the strict penalties foreseen in the law for elections cheats. (Comment: these rumors are unfortunate because they further erode support for trust in a fair election process and impartial courts to resolve political conflicts. End comment.)

#### FORGING AHEAD

-----

18. (C) The first order of business for the new parliament will be the election of a House Speaker. The election of the Prime Minister could occur by the end of next week, with a new government in place by early February. PPP has toned down some of its rhetoric about closing down the investigations on Thaksin-era corruption, and speeding up the removal of the ban on the 111 former TRT party executives. In recent statements, it has focused on the need to address the concerns about the economy as quickly as possible, an issue that has far more support from the public at large. There is a general view that the new government will not last long (common estimates range from 6 months to one year), but the coalition should have comfortably over 300 seats, which is a reasonable majority; it may not be as fragile as feared. The coalition partners, having spent heavily on the election, will not be eager to face another contest soon. The PPP may be more interested in going back to the polls, however, if they are able to rehabilitate their 111 banned colleagues; they could then move into a new round of elections in which they could hope to gain the majority on their own, without the need of a coalition partner.

COMMENT

-----

¶9. (C) After two years of uncertainty, including massive demonstrations, an annulled election, a caretaker government, a military coup, a junta, an interim government and a new constitution, we are pretty much back to where we were in ¶2005. There has been no resolution of the issues that provoked the crisis in the first place. The rule of law and accountability for elected officials have not been strengthened, the corrupting role of money in the political process has not been reduced, the relationship between politicians and the royal institutions, including the Privy council, has not be clarified. After a strategic pause, the same conflicts that led to the political crisis are likely to re-emerge, if the new government does not do better than we expect in promoting reconciliation and consensus-building.  
JOHN